

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO et
al.,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO ELECTRIC POWER
AUTHORITY,

Debtors.

PROMESA

Title III

No. 17 BK 4780-LTS

**MEDIATION TEAM'S NOTICE AND REQUEST FOR APPROVAL OF A
FOURTH EXTENSION OF THE MEDIATION TERMINATION DATE**

To the Honorable United States District Judge Laura Taylor Swain:

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico ("Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

PLEASE TAKE NOTICE that, on April 8, 2022, the Court entered an order (the “**Appointment Order**”)² appointing a Mediation Team comprised of the Honorable Shelley C. Chapman as lead mediator, the Honorable Robert D. Drain, and the Honorable Brendan L. Shannon (collectively, the “**Mediation Team**”) to facilitate confidential negotiations among the Mediation Parties (and any other Mediation Party added in the Mediation Team’s discretion) regarding the Mediation Topics (the “**Mediation**”). On the same date, the Court entered its Order Establishing the Terms and Conditions of Mediation (the “**Terms and Conditions Order**”).

PLEASE TAKE FURTHER NOTICE that Paragraph 3 of the Terms and Conditions Order provided, in pertinent part, that “[u]nless, in the determination of the Mediation Team, a resolution has been reached in the Mediation before such time, the Mediation shall terminate on June 1, 2022 at 11:59 p.m. (Atlantic Standard Time) (the “**Termination Date**”); provided, that the Mediation Team may extend the Termination Date based on its assessment of the material progress of the Mediation but in no event shall extend the Termination Date beyond July 1, 2022 at 11:59 p.m. (Atlantic Standard Time) without this Court’s approval after notice of such proposed extension to parties in interest; provided, further that the Termination Date may be extended by the Mediation Team for purposes of its involvement in any secondary or drafting terms.”

PLEASE TAKE FURTHER NOTICE that on May 26, 2022, the Mediation Team filed a Notice of Extension of Termination Date of Mediation extending the Termination Date to July 1, 2022.

² Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Appointment Order.

PLEASE TAKE FURTHER NOTICE that the Mediation Team filed a request to further extend the Termination Date, and after Notice to parties in interest, the Court entered an Order dated June 29, 2022, extending the Mediation Termination Date to August 1, 2022.

PLEASE TAKE FURTHER NOTICE that the Mediation Team filed a request for a third extension of the Termination Date, and after Notice to parties in interest, on July 29, 2022, the Court entered the Order Granting the (A) Mediation Team's Notice and Request for Approval of Third Extension of Termination Date of Mediation and (B) Urgent Motion of Financial Oversight and Management Board for Order Extending Mediation Termination Date and Related Path Forward Deadline (the "July 29 Extension Order").³

PLEASE TAKE FURTHER NOTICE that the July 29 Extension Order granted the Mediation Team's request to extend the Mediation Termination Date to August 15, 2022, "subject to an automatic extension or extensions through and including September 9, 2022 at the Mediation Team's discretion based on its assessment of the material progress of the mediation process, after notice of such extension to parties in interest and without further Court approval, when and if the Mediation Team files a notice of such extension with the Court (the "Extension Notice")."⁴

PLEASE TAKE FURTHER NOTICE that, in the July 29 Extension Order, the Court granted the Oversight Board's request to extend the Path Forward Deadline to August 15, 2022, and further that, "[u]pon the filing of an Extension Notice, the Path Forward Deadline will, without further Court approval, automatically be extended to the concurrent extended Termination Deadline."⁵

³ Case No. 17-03283, Docket No. 21672; Case No. 17-04780, Docket No. 2911.

⁴ July 29 Extension Order, ¶ 3.

⁵ July 29 Extension Order, ¶ 4.

PLEASE TAKE FURTHER NOTICE that on August 15, 2022, the Mediation Team filed the Notice of Extension of the Mediation Termination Date and Related Deadlines to September 9, 2022.

PLEASE TAKE FURTHER NOTICE that the Mediation Team has determined that it would be beneficial to the mediation process for the Mediation Team to continue facilitating negotiations among Mediation Parties beyond the current September 9, 2022 deadline. The Mediation Team believes that further material progress can be made, and, to further this goal, the Mediation Team has scheduled an in-person mediation session with certain of the Mediation Parties to occur on September 13, 2022, in New York City. Therefore, the Mediation Team requests that this Honorable Court (i) approve a fourth extension of the Termination Date to **September 16, 2022 at 11:59 p.m. (Atlantic Standard Time)**; (ii) grant the Mediation Team discretion, based on its assessment of the material progress of the Mediation, to further extend the Termination Date through and including **September 30, 2022 at 11:59 p.m. (Atlantic Standard Time)** without further Court approval by filing a notice of such extension with the Court; and (iii) grant the Mediation Team discretion to extend the Termination Date for purposes of its involvement in any secondary or drafting terms.

PLEASE TAKE FURTHER NOTICE that the Mediation Team reserves the right to seek further extensions of the Termination Date with approval of the Court after notice of such proposed extensions to interested parties, as permitted in Paragraph 3 of the Terms and Conditions Order.

PLEASE TAKE FURTHER NOTICE that interested parties may file an objection or other response to this Notice on or before **Tuesday, September 6, 2022 at 12:00 p.m. (noon) (Atlantic Standard Time)**.

Dated: September 1, 2022

/s/ Shelley C. Chapman
SHELLEY C. CHAPMAN
United States Bankruptcy Judge

/s/ Brendan L. Shannon
BRENDAN L. SHANNON
United States Bankruptcy Judge

/s/ Robert D. Drain
ROBERT D. DRAIN
United States Bankruptcy Judge

AND NOW, this ____ day of September, 2022, upon consideration of the Mediation Team's Notice and Request for Approval of Fourth Extension of the Mediation Termination Date (the "Fourth Extension"), and any objections or responses filed thereto, it is hereby ORDERED that the Fourth Extension is APPROVED and (i) the Termination Date is extended to **September 16, 2022 at 11:59 p.m. (Atlantic Standard Time)**; and (ii) the Mediation Team, at its discretion, based on its assessment of the material progress of the Mediation, may further extend the Termination Date through and including **September 30, 2022 at 11:59 p.m. (Atlantic Standard Time)** without further Court approval by filing a notice of such extension with the Court; and (iii) that the Termination Date may be extended by the Mediation Team in its discretion, without Court approval, for purposes of its involvement in any secondary or drafting terms.

HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE